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<http://ag.ca.gov/charities/>

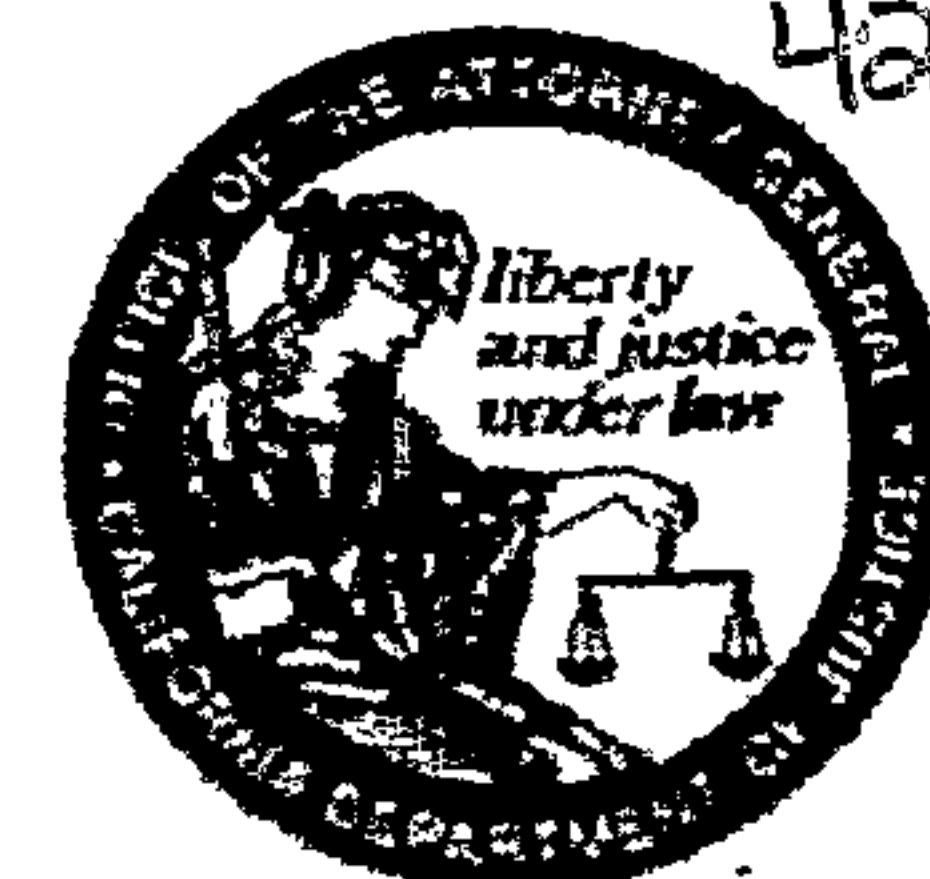
## COMMERCIAL FUNDRAISER FOR CHARITABLE PURPOSES

### ANNUAL FINANCIAL REPORT FOR 20 03

(California Government Code Section 12586)

Failure to file annual financial report by January 30<sup>th</sup> annually for each calendar year of solicitation may result in late fees as defined in Government Code Section 12586.1

An annual financial report must be filed for each event for each charity solicited for during the previous calendar year.



#### Name and Address of Commercial Fundraiser:

SANDERSON GROUP INC. CT 422

#### Name of commercial fundraiser

P.O. BOX 462195

#### Address of commercial fundraiser

ESCONDIDO, CA. 92046-2195

#### City, State, and ZIP Code

#### Name and Address of Charitable Organization:

CT No. 118048 FEIN No. 33-0883050

STRAIGHT FROM THE HEART INC.

#### Name of charity

819 W. SAN MARCOS BLVD.

#### Address of charity

SAN MARCOS, CA. 92069

#### City, State, and ZIP code of charity

Multi-purpose campaign for the purpose of accomplishing information dissemination; membership organization held (on) (from) SEPT 15, 2003 to DEC 30, 2003.  
fundraising and the production of a live family entertainment event (Date or dates must be shown)

Is the contract between the commercial fundraiser and charity based upon a fee or percentage of revenue? Fee ☐ Percentage ☒ Other ☐ of gross PROFITS  
If other, provide brief explanation \_\_\_\_\_

#### 1. REVENUE

- A. Cash contributions
- B. Entertainment sales or admission charges
- C. Sales from products
- D. Advertisement sales
- E. Membership fees
- F. Other sources: (Specify)

a. SEE ATTACHED

#### G. TOTAL REVENUE

A. \_\_\_\_\_  
B. \_\_\_\_\_  
C. \_\_\_\_\_  
D. \_\_\_\_\_  
E. \_\_\_\_\_  
Fa. 85,701.75  
Fb. \_\_\_\_\_  
Fc. \_\_\_\_\_  
Fd. \_\_\_\_\_

85,701.75 G. ✓

#### 2. EXPENSES

- A. Fees or commissions
- B. Salaries
- C. Payroll taxes
- D. Employee benefits
- E. Cost of merchandise for resale
- F. Cost of entertainment
- G. Postage
- H. Advertising
- I. Telephone
- J. Rental of equipment
- K. Facilities charge
- L. Permits

#### M. Other expenses: (Specify)

a. \_\_\_\_\_  
b. \_\_\_\_\_  
c. \_\_\_\_\_  
d. \_\_\_\_\_

#### N. TOTAL EXPENSES

\* \_\_\_\_\_ A.  
\* \_\_\_\_\_ B.  
\* \_\_\_\_\_ C.  
\* \_\_\_\_\_ D.  
\* \_\_\_\_\_ E.  
\* \_\_\_\_\_ F.  
\* \_\_\_\_\_ G.  
\* \_\_\_\_\_ H.  
\* \_\_\_\_\_ I.  
\* \_\_\_\_\_ J.  
\* \_\_\_\_\_ K.  
\* \_\_\_\_\_ L.  
Ma. \_\_\_\_\_  
Mb. \_\_\_\_\_  
Mc. \_\_\_\_\_  
Md. \_\_\_\_\_

SEE ATTACHED COMPLETE EXPLANATION

\*

N.

**COMMERCIAL FUNDRAISER FOR CHARITABLE PURPOSES  
ANNUAL FINANCIAL REPORT FOR 20\_\_\_\_\_**

(California Government Code Section 12599)

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3. Amount to charity (subtract line 2N from line 1G) \_\_\_\_\_ 3.

4. Less additional fundraising expenses paid by charity including fee paid to commercial fundraiser (to be completed by charity) \_\_\_\_\_ 4.

5. Less fair market value of goods and/or services used for the event which were paid by sponsor(s) \_\_\_\_\_ 5.

6. Net proceeds realized by charity from the campaign (subtract lines 4 and 5 from line 3) \_\_\_\_\_ 6.

7. (a) Does any officer, director, partner or owner of the commercial fundraiser have any affiliation with or control over, directly or indirectly, the charitable organization for which the commercial fundraiser has contracted to solicit?

☐ Yes ☐ No If "yes" complete the following:

Name of officer, director, partner or owner of commercial fundraiser	Name and address of charitable organization	Relationship of officer, etc. to charitable organization

(b) For each affiliation identified in 7(a), attach copy of the contract between the commercial fundraiser and the charity.

Under penalties of perjury, I declare that I have examined this report, including accompanying documents, schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of authorized officer (commercial fundraiser)

Printed name

Title

Date

G L SANDERSON

PRESIDENT

4/16/04

This report must be signed by two officers or directors of the charitable organization for verification.

Signature of authorized officer/director (charity)

Printed name

Title

Date

Patricia L. Boles

President

4-16-04

Signature of authorized officer/director (charity)

Printed name

Title

Date

Nadiene Sahagun

Vice-Pres.

4-16-04

RECEIVED  
MAY 05 2004  
Attorney General  
Registry of Charitable Trusts

CT-2CF CFR FINANCIAL REPORT (12-03)

STATEMENT OF FUNCTIONAL DISTRIBUTION

REVENUE:

TOTAL SALES:		\$85,701.75
Live Entertainment Event (Sch.I)	\$3,262.50	
Cost of Sales	\$2,317.73	
Product Cost	\$3,323.18	
Permits/Licenses	\$0.00	
Telephones	\$853.99	
Postage	\$747.74	
Bank Charges	\$141.93	
Other	\$0.00	
Campaign Payroll (Schedule II)	\$10,123.91	
Operational Expenses (Sch. III)	<u>\$1,464.73</u>	
Total Cost of Fund Raising Event:		\$22,235.71
Gross Profit on Sales:		\$63,466.04

USE OF FUNDS

Public Relations (Sch. IV)	\$18,973.21	
Information Dissemination (Sch. V)	\$21,081.35	
Organization Membership (Sch. VI)	\$11,243.38	
General Fund	<u>\$12,168.10</u> ✓	
Total Use of Funds		\$63,466.04

See attached notes and schedules.



## STATEMENT OF FUNCTIONAL DISTRIBUTION

### NOTES:

1. More than 60% of the proceeds of this event were immediately returned to the community by the enhancement of the sponsoring organization projects, the creation of new jobs, the maintenance of office operations and other costs associated with operating this campaign activity.
2. In addition the organization received for its sales two hundred (200) family tickets. The organization received the total value of all of these tickets. The direct monetary value of these tickets is \$9,000.00
3. This report has been prepared utilizing a Statement of Functional Distribution which is developed in accordance with generally accepted accounting principles. Historical arithmetical means have been utilized in computing some figures. Many of the expenses are of a variable or semi-variable nature.
4. In addition to actual funds received, the charity received additional intangible benefits, which are set forth in the agreement between the parties and accounted for in this report.

## SCHEDULE I

### Live Entertainment Event:

Performers	\$2,475.00
Site/Facility	\$462.50
Insurance	\$325.00
Stagehands, Security	\$0.00
TOTAL:	<hr/> \$3,262.50

## SCHEDULE II

### Campaign Payroll:

Night Telephone Representatives	\$4,555.76
Day Telephones Representatives	\$2,530.98
Clerical	\$2,126.02
Payroll Taxes	\$911.15
TOTAL:	<hr/> \$10,123.91

## SCHEDULE III

### Operational Expenses:

Office Supplies/Equipment	\$671.04
Office Rent	\$347.09
Ads	\$254.53
Utilities	\$173.55
Business Licenses	\$18.51
TOTAL:	<hr/> \$5,424.92

## SCHEDULE IV

### Public Relations Expenses:

Cost of Sales	\$2,317.73
Product Cost	\$3,323.18
Permits/ Licenses	\$0.00
Telephone	\$853.99
Postage	\$747.74
Bank Charges	\$141.93
Other	\$0.00
Campaign Payroll	
Night Phone Representatives	\$4,555.76
Day Phone Representatives	\$2,530.98
Clerical	\$2,126.02
Payroll Taxes	\$911.15
Operational Expenses	
Office Supplies/Equipment	\$671.04
Office Rent	\$347.09
Ads	\$254.53
Utilities	\$173.55
Business Licenses	\$18.51
TOTAL:	<hr/> \$18,973.21

## SCHEDULE V

### Information Dissemination Expenses:

Cost of Sales	\$2,575.25
Product Cost	\$3,692.43
Permits/ Licenses	\$0.00
Telephone	\$948.88
Postage	\$830.82
Bank Charges	\$157.70
Other	\$0.00
Campaign Payroll	
Night Phone Representatives	\$5,061.95
Day Phone Representatives	\$2,812.20
Clerical	\$2,362.25
Payroll Taxes	\$1,012.39
Operational Expenses	
Office Supplies/Equipment	\$745.61
Office Rent	\$385.66
Ads	\$282.82
Utilities	\$192.83
Business Licenses	\$20.57
TOTAL:	<hr/> \$21,081.35

## SCHEDULE VI

### Organization Membership Expenses:

Cost of Sales	\$1,373.47
Product Cost	\$1,969.29
Permits/ Licenses	\$0.00
Telephone	\$506.07
Postage	\$443.11
Bank Charges	\$84.11
Other	\$0.00
Campaign Payroll	
Night Phone Representatives	\$2,699.71
Day Phone Representatives	\$1,499.84
Clerical	\$1,259.86
Payroll Taxes	\$539.94
Operational Expenses	
Office Supplies/Equipment	\$397.66
Office Rent	\$205.68
Ads	\$150.84
Utilities	\$102.84
Business Licenses	\$10.97
TOTAL:	<hr/> \$11,243.38